

Interstate Commerce Commission
Washington, D.C.

RECORDATION NO. 9432-B
Filed 1425

JUN 27 1979 2 10 PM

INTERSTATE COMMERCE COMMISSION

Gentlemen:

Enclosed for recordation under the provisions of 49 USC 11303 (formerly Section 20(c) of the Interstate Commerce Act), as amended, are the original and five counterparts of a Second Supplement and Amendment to First Security Agreement-Trust Deed dated as of February 15, 1979.

A general description of the railroad rolling stock covered by the enclosed document is set forth in Schedule 1 attached to this letter and made a part hereof.

The names and addresses of the parties are:

Debtor: Continental Illinois National Bank
and Trust Company of Chicago, as
Trustee under Chicago North Western
Trust No. 78-1
231 South LaSalle Street
Chicago, Illinois 60693

Secured Party: Harris Trust and Savings Bank, as
Security Trustee
111 West Monroe Street
Chicago, Illinois 60690

The undersigned is the Debtor mentioned in the enclosed document and has knowledge of the matters set forth therein.

Please return the original and four copies of the Second Supplement and Amendment to First Security Agreement-Trust Deed to Robert C. Nash, Esq., Chapman and Cutler, 111 West Monroe Street, Chicago, Illinois 60603.


Also enclosed is a check in the amount of \$10.00 covering the required recording fee.

Very truly yours,

Recordation Number for
original document is:
9432-A

CONTINENTAL ILLINOIS NATIONAL BANK AND
TRUST COMPANY OF CHICAGO, as Trustee
under Chicago North Western Trust
No. 78-1

By
Its


Vice President

Enclosures

DESCRIPTION OF EQUIPMENT

<u>Number of Items</u>	<u>Description</u>	<u>Identifying Numbers as Hulks and as Rebuilt</u>
100	1,958 cu. ft. capacity Ballast Cars	CNW X201820 through CNW X201919, both inclusive
9	65' Wheel Transport Cars	CNW X200679, CNW X200681, CNW X200683, CNW X200685, CNW X200687, CNW X200689, CNW X200691, CNW X200693, CNW X200695
1	Budd Track Geometry Car	CNW 430
26	Rail Train-Flat Cars	CNW X251250 through CNW X251275, both inclusive

DESCRIPTION OF EQUIPMENT

<u>Number of Items</u>	<u>Description</u>	<u>Identifying Numbers</u>
175	Tri-Level Enclosed Auto Racks manufactured by Whitehead & Kales Company	Whitehead & Kales Serial Numbers 65195 through 65484, both inclusive, and 66235 through 66294, both inclu- sive (each Rack to bear two consecutive numbers)
25	Bi-Level Enclosed Auto Racks manufactured by Whitehead & Kales Company	Whitehead & Kales Serial Numbers 65585 through 65634, both inclusive (each Rack to bear two consecutive numbers)

6/27/79

Interstate Commerce Commission
Washington, D.C. 20423

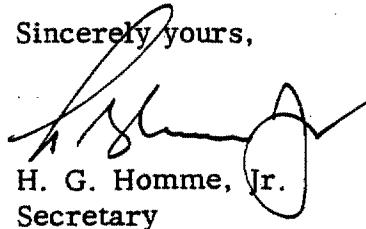
OFFICE OF THE SECRETARY

Mr. Donald W. Alfvin
231 South LaSalle Street
Chicago, Illinois 60690

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 6/27/79 at 2:10pm, and assigned recordation number(s). 9432-B

Sincerely yours,



H. G. Homme, Jr.
Secretary

Enclosure(s)

SE-30
(3/79)

SECOND SUPPLEMENT AND AMENDMENT TO FIRST SECURITY

AGREEMENT-TRUST DEED

Dated as of February 15, 1979

RECORDATION NO. 9432-B Filed 1425

JUN 27 1979 -2 10AM

INTERSTATE COMMERCE COMMISSION

From

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY
OF CHICAGO,
as Trustee under Chicago North Western Trust No. 78-1

Debtor

To

HARRIS TRUST AND SAVINGS BANK,
as Security Trustee

Secured Party

(Chicago North Western Trust No. 78-1)
(100 Rebuilt Ballast Cars)
(9 Rebuilt Wheel Transport Cars)
(1 Rebuilt Track Geometry Car)
(26 Rebuilt Rail Train-Flat Cars)
(200 Enclosed Auto Racks)

SECOND SUPPLEMENT AND AMENDMENT TO FIRST SECURITY
AGREEMENT-TRUST DEED

SECOND SUPPLEMENT AND AMENDMENT dated as of February 15, 1979 between CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association, not individually but solely as trustee under Chicago North Western Trust No. 78-1 (the "Debtor"), whose post office address is 231 South LaSalle Street, Chicago, Illinois 60693, and HARRIS TRUST AND SAVINGS BANK (the "Secured Party"), whose post office address is 111 West Monroe Street, Chicago, Illinois 60690;

WITNESSETH:

WHEREAS, the defined terms used in this Second Supplement shall have the respective meanings indicated in the First Security Agreement-Trust Deed hereinafter referred to.

WHEREAS, the Debtor has heretofore executed and delivered a First Security Agreement-Trust Deed dated as of March 1, 1978 (the "First Security Agreement") to the Secured Party as security for the payment in full of all principal of and premium, if any, and interest on (a) the Interim Notes of the Debtor (the "Interim Notes") issued under and pursuant to the Amended Interim Loan Agreement dated as of March 1, 1978 between the Debtor and the Secured Party, and (b) the Secured Notes of the Debtor not exceeding \$6,800,000 in aggregate original principal amount (the "Secured Notes") to be issued under and pursuant to the Participation Agreement dated as of March 1, 1978 (the "Participation Agreement") among the Debtor, Chicago and North Western Transportation Company, Cobak Corporation, the Secured Party and the parties named in Schedule 1 to the Participation Agreement.

WHEREAS, the First Security Agreement was filed and recorded in the Office of the Secretary of the Interstate Commerce Commission on June 8, 1978 and has been assigned recordation No. 9432.

WHEREAS, a First Supplement to the Security Agreement-Trust Deed dated as of December 15, 1979 was entered into by the Debtor and the Secured Party (the "First Supplement") and was filed and recorded in the Office of the Secretary of the Interstate Commerce Commission on December 27, 1978 and has been assigned recordation No. 9432-A.

WHEREAS, all requirements of law have been fully complied with and all other acts and things necessary to make this Second Supplement a valid, binding and legal instrument according to its terms for the purposes herein expressed have been done and performed.

NOW, THEREFORE, the Debtor in consideration of the premises and of the sum of Ten Dollars received by the Debtor from the Secured Party and other good and valuable consideration, receipt whereof is

hereby acknowledged, and in order to secure the payment of the principal and interest on all Notes and to secure the payment of all other indebtedness secured by the First Security Agreement as heretofore and hereby supplemented and the performance and observance of all of the covenants and conditions contained in the Notes, the First Security Agreement as heretofore and hereby supplemented, the Interim Loan Agreement and the Participation Agreement, does hereby grant and regrant to the Secured Party, its successors in trust and assigns, forever, a security interest in and to the properties, rights, interests and privileges described in the First Security Agreement (therein and hereinafter sometimes referred to as the "Collateral").

SUBJECT, HOWEVER, to Excepted Rights in Collateral and the terms of the First Security Agreement as heretofore and hereby supplemented.

TO HAVE AND TO HOLD the Collateral unto the Secured Party, its successors in trust and assigns, forever, IN TRUST NEVERTHELESS, upon the terms and trusts set forth in the First Security Agreement as heretofore and hereby supplemented, for the benefit, security and protection of all present and future holders of the Notes; provided, always, however, that if the Debtor pays or causes to be paid all the indebtedness thereby and hereby secured and observes, keeps and performs all the terms and conditions, covenants and agreements contained in the First Security Agreement as heretofore and hereby supplemented, the Interim Loan Agreement and in the Participation Agreement and in the Notes, then these presents and the estate granted and conveyed in the First Security Agreement as heretofore and hereby supplemented shall cease and the First Security Agreement as heretofore and hereby supplemented shall become null and void; otherwise the First Security Agreement as heretofore and hereby supplemented shall remain in full force and effect.

SECTION 1. AMENDMENT TO THE FIRST SECURITY AGREEMENT.

1.1. RECITAL C of the Security Agreement is hereinafter amended in its entirety to read as follows:

"C. The Debtor and the Secured Party have entered into a Participation Agreement dated as of March 1, 1978 (the 'Participation Agreement') with CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY, a Delaware corporation (the 'Lessee'), COBAK CORPORATION, a Delaware corporation (the 'Trustor') and the parties named in Schedule 1 (the 'Lenders') to the Participation Agreement, providing for the commitment of the Lenders to make loans on or before October 12, 1979 not exceeding an aggregate principal amount of \$6,800,000 to be evidenced by the Secured Notes (the 'Term Notes') of the Debtor. The Term Notes will each be issued in five series: namely, the 'Ballast Car Term Notes', the 'Wheel Transport Car Term Notes', the 'Test Car Term Notes', the 'Rail Train-Flat Car Term Notes' and the 'Auto Rack Term Notes'. The Term

Notes are to be dated the date of issue, to bear interest at the rate of 9% per annum in the case of Term Notes issued on or prior to April 12, 1979 and at the rate of 10% per annum in the case of Term Notes issued after April 12, 1979, in each such case, for five years from and after the date of issue, and, in the case of all Term Notes, thereafter until maturity at a rate per annum equal to 120% of the Continental Prime Rate, which rate shall change when and as said Continental Prime Rate changes, to be expressed to mature, in the case of the Ballast Car Term Notes, Wheel Transport Car Term Notes, Test Car Term Notes and Rail Train-Flat Car Term Notes, in 40 quarterly installments, payable in accordance with the applicable amortization schedule set forth in Schedule 1 hereto on the payment dates of the first through the fortieth installments of Fixed Rental in respect of the Rebuilt Equipment financed with the proceeds of such Notes, and in the case of the Auto Rack Term Notes, in 36 quarterly installments, payable in accordance with the applicable amortization schedule set forth in Schedule 1 hereto on the payment dates of the first through the thirty-sixth installments of Fixed Rental in respect of the Auto Racks financed with the proceeds of such Notes, and in the case of all such Notes, to be otherwise substantially in the form attached as Exhibit B hereto."

1.2. Schedule 2 attached to this Second Supplement shall be substituted for Schedule 2 attached to the First Security Agreement as amended and supplemented by the First Supplement.

1.3. Schedule 3 attached to this Second Supplement shall be substituted for Schedule 3 attached to the First Security Agreement, as amended and supplemented by the First Supplement.

1.4. Exhibit B attached to this Second Supplement shall be substituted for the Exhibit B attached to the First Security Agreement as originally executed.

SECTION 2. MISCELLANEOUS.

2.1. This Second Supplement shall be construed in connection with and as part of the First Security Agreement as heretofore supplemented and all terms, conditions and covenants contained in the First Security Agreement as heretofore supplemented, except as herein modified, shall be and remain in full force and effect.

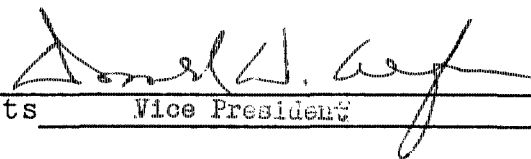
2.2. This Second Supplement may be executed, acknowledged and delivered in any number of counterparts, each of such counterparts constituting an original, but all together only one instrument.

2.3. Any headings or captions preceding the text of the several sections hereof are intended solely for convenience of reference and shall not constitute a part of this Second Supplement nor shall they affect its meaning, construction or effect.

Any and all notices, requests, certificates and other instruments executed and delivered after the execution and delivery of this Second Supplement may refer to the "First Security Agreement dated as of March 1, 1978" without making specific reference to this Second Supplement but nevertheless all such references shall be deemed to include this Second Supplement unless the context shall otherwise required.

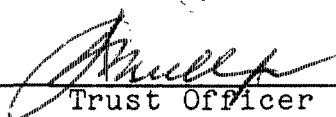
IN WITNESS WHEREOF, the Debtor and Secured Party have caused this First Supplement to be executed all as of the day and year first above written.

CONTINENTAL ILLINOIS NATIONAL BANK
AND TRUST COMPANY OF CHICAGO,
as Trustee under Chicago North
Western Trust No. 78-1

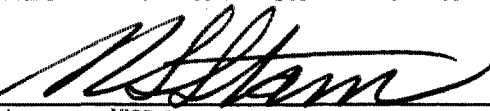
By 
Its Vice President
DEBTOR

[Seal]

ATTEST:


Trust Officer

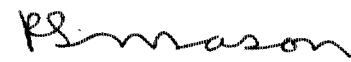
HARRIS TRUST AND SAVINGS BANK

By 
Its VICE PRESIDENT

SECURED PARTY

[Seal]

ATTEST:


Assistant Secretary

State of Illinois)
) SS
County of Cook)

On this Tuesday of May, 1979 before me personally appeared DONALD W. ALFVIN, to me personally known who, being by me duly sworn, said that he is a Vice President of CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, that the seal affixed to the foregoing instrument is the corporate seal of said Bank, that said instrument was signed and sealed on behalf of said Bank this day by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Bank.

Hazel Ivaz Hazel Ivaz

[SEAL]

My Commission Expires: December 6, 1981

State of Illinois))
County of Cook) SS

On this 10th day of May, 1979 before me personally appeared E. E. STAM to me personally known who being by me duly sworn said that he is VICE PRESIDENT of the HARRIS TRUST AND SAVINGS BANK, that the foregoing instrument was signed by him this day on behalf of and by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Bank.

Lavette C. Seay
LAVETTE C. SEAY

LAVETTE C. SEAY

[SEAN]

My Commission Expires: NOVEMBER 29, 1980

DESCRIPTION OF EQUIPMENT

<u>Number of Items</u>	<u>Description</u>	<u>Identifying Numbers as Hulks and as Rebuilt</u>
100	1,958 cu. ft. capacity Ballast Cars	CNW X201820 through CNW X201919, both inclusive
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CONTINENTAL ILLINOIS NATIONAL BANK
AND TRUST COMPANY OF CHICAGO,
as Trustee under Chicago North Western Trust No. 78-1

SECURED NOTE

\$

, 1979

FOR VALUE RECEIVED, the undersigned, CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not individually but solely as Trustee under Chicago North Western Trust No. 78-1 (the "Debtor") promises to pay to

or order,
the principal sum of

DOLLARS (\$))
in [see Note 1] quarterly installments in the respective amounts set forth below (said amounts being expressed as percentages of the original principal amount hereof), payable on the twelfth day of each January, April, July and October in each year, commencing [see Note 2], to and including [see Note 3]:

<u>Quarterly Installment No.</u>	<u>Amount of Payment (Expressed as a Percentage of the Original Principal Amount)</u>
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[see Note 4]

and to pay interest (computed on the basis of a 360-day year of twelve consecutive 30-day months) on the principal amount from time to time remaining unpaid hereon at the rate of [see Note 5] per annum from the date hereof to and including [see Note 6] and thereafter until maturity at a rate per annum equal to 120% of the rate of interest charged from time to time by Continental Illinois National Bank and Trust Company of Chicago to its largest and most creditworthy commercial borrowers on 90-day unsecured commercial loans, which rate shall change when and as said Prime Rate changes, payable quarterly in the case of all such interest payments on the twelfth day of January, April, July and October

EXHIBIT B
(to Second Supplement and Amendment to
First Security Agreement-Trust Deed)

in each year and at maturity commencing with the payment date next succeeding the date hereof; and to pay interest on overdue principal and (to the extent legally enforceable) on overdue interest at the rate of [see Note 7] per annum after maturity, whether by acceleration or otherwise, until paid. Both the principal hereof and interest hereon are payable to the registered holder hereof at the principal office of the Secured Party referred to below in Chicago, Illinois, in coin or currency of the United States of America which at the time of payment shall be legal tender for the payment of public and private debts.

This Note is one of the Secured Notes (the "Notes") of the Debtor not exceeding \$6,800,000 in aggregate original principal amount which are issued under and pursuant to the Participation Agreement dated as of March 1, 1978 (the "Participation Agreement") among the Debtor, Chicago and North Western Transportation Company (the "Lessee"), Cobak Corporation, a Delaware corporation (the "Trustor"), Harris Trust and Savings Bank (the "Secured Party") and the parties named in Schedule 1 to the Participation Agreement, and also issued under and equally and ratably with said other Notes secured by that certain First Security Agreement-Trust Deed dated as of March 1, 1978 (the "First Security Agreement") from the Debtor to the Secured Party. Reference is made to: (a) the First Security Agreement and all supplements and amendments thereto executed pursuant to the First Security Agreement, and (b) the Participation Agreement, for a description of the collateral, the nature and extent of the security and rights of the Secured Party, the holder or holders of the Notes and of the Debtor in respect thereof.

Certain prepayments are required to be made on this Note and any other Notes outstanding under the First Security Agreement. The Debtor agrees to make such required prepayments on the Notes in accordance with the provisions of the First Security Agreement.

The terms and provisions of the First Security Agreement and the rights and obligations of the Debtor and the rights of the holders of the Notes may be changed and modified to the extent permitted by and as provided in the First Security Agreement.

This Note and the First Security Agreement are governed by and construed in accordance with the laws of the State of Illinois.

It is expressly understood and agreed by and between the Debtor, the Trustor and the holder of this Note and their respective successors and assigns that, except as expressly provided in the Participation Agreement and in the First Security Agreement, this Note is executed by Continental Illinois National Bank and Trust Company of Chicago not individually or personally but solely as Trustee under Chicago North Western Trust No. 78-1 in the exercise of the power and authority conferred and vested in it as such Trustee (and Continental Illinois National Bank and Trust Company of Chicago hereby warrants that it possesses full power and authority to enter into and perform this Note). It is also understood and agreed that each and all of the representations, undertakings and agreements herein made

on the part of the Debtor are each and every one of them made and intended not as personal representations, undertakings and agreements by the Debtor or the Trustor, or for the purpose or with the intention of binding the Debtor or the Trustor personally, but are made and intended for the purpose of binding only the Trust Estate as defined in the Participation Agreement and that this Note is executed and delivered by the Debtor solely in the exercise of the powers expressly conferred upon the Debtor as trustee under Chicago North Western Trust No. 78-1. Accordingly, nothing herein contained shall be construed as creating any liability on the Debtor or the Trustor, individually or personally, or any incorporator or any past, present or future subscriber to the capital stock of, or stockholder, officer or director of, Continental Illinois National Bank and Trust Company of Chicago or the Trustor, to perform any covenant either express or implied contained herein, all such liability, if any, being expressly waived by the holder of this Note and by each and every person now or hereafter claiming by, through or under the holder of this Note and that so far as the Debtor or the Trustor, individually or personally are concerned, the Debtor and any person claiming by, through or under the Debtor shall look solely to such Trust Estate for the performance of any obligation under this Note.

IN WITNESS WHEREOF, the Debtor has caused this Note to be duly executed, not individually but solely as trustee under Chicago North Western Trust No. 78-1.

CONTINENTAL ILLINOIS NATIONAL BANK
AND TRUST COMPANY OF CHICAGO,
as Trustee under Chicago North
Western Trust No. 78-1

By _____
Vice President

NOTICE: THIS NOTE HAS NOT BEEN REGISTERED PURSUANT TO THE SECURITIES ACT OF 1933 OR UNDER THE SECURITIES LAWS OF ANY STATE. THE NOTE MAY NOT BE OFFERED OR SOLD UNLESS IT IS REGISTERED UNDER THE APPLICABLE SECURITIES LAWS OR UNLESS AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE.

Note 1:

The provision in Ballast Car Term Notes, Wheel Transport Car Term Notes, Test Car Term Notes and Rail Train-Flat Car Term Notes will read:

forty

The provision in Auto Rack Term Notes will read:

thirty-six

Note 2:

The date to be inserted shall be such of the following dates as follows the date of issue:

October 12, 1978, January 12, 1979,
April 12, 1979, July 12, 1979,
October 12, 1979 or January 12, 1980

Note 3:

The date to be inserted in Ballast Car Term Notes, Wheel Transport Car Term Notes, Test Car Term Notes and Rail Train-Flat Car Term Notes shall be such of the following dates as is ten years after the date of issue:

July 12, 1988, October 12, 1988,
January 12, 1989, April 12, 1989,
July 12, 1989 or October 12, 1989

The date to be inserted in Auto Rack Term Notes shall be such of the following dates as is nine years after the date of issue:

July 12, 1987, October 12, 1987,
January 12, 1988, April 12, 1988,
July 12, 1988 or October 12, 1988

Note 4:

The installment numbers and percentages of principal amount to be inserted in the Ballast Car Term Notes, Wheel Transport Car Term Notes, Test Car Term Notes and Rail Train-Flat Car Term Notes shall be as follows:

Quarterly
Installment No.

Amount of Payment
(Expressed as a
Percentage of the
Original Principal
Amount)

1	1.567738%
2	1.603012%
3	1.639080%
4	1.675959%
5	1.713668%
6	1.752226%
7	1.791651%
8	1.831963%
9	1.873182%
10	1.915329%
11	1.958424%
12	2.002488%
13	2.047544%
14	2.093614%
15	2.140720%
16	2.188886%
17	2.238136%
18	2.288494%
19	2.339986%
20	2.392635%
21	2.446470%
22	2.501515%
23	2.557799%
24	2.615350%
25	2.674195%
26	2.734364%
27	2.795888%
28	2.858795%
29	2.923118%
30	2.988888%
31	3.056138%
32	3.124901%
33	3.195212%
34	3.267104%
35	3.340614%
36	3.415777%
37	3.492632%
38	3.571217%
39	3.651569%
40	3.733719%

The installment numbers and percentages of principal amount to be inserted in the Auto Rack Term Notes shall be as follows:

<u>Quarterly Installment No.</u>	<u>Amount of Payment (Expressed as a Percentage of the Original Principal Amount)</u>
1	1.832522%
2	1.873754%
3	1.915913%
4	1.959021%
5	2.003099%
6	2.048169%
7	2.094253%
8	2.141373%
9	2.189554%
10	2.238819%
11	2.289193%
12	2.340700%
13	2.393365%
14	2.447216%
15	2.502278%
16	2.558580%
17	2.616148%
18	2.675011%
19	2.735199%
20	2.796741%
21	2.859667%
22	2.924010%
23	2.989800%
24	3.057071%
25	3.125855%
26	3.196186%
27	3.268101%
28	3.341633%
29	3.416820%
30	3.493698%
31	3.572306%
32	3.652683%
33	3.734869%
34	3.818903%
35	3.904828%
36	3.992662%

Note 5:

The interest rate of 9% per annum shall be inserted in Term Notes issued on or prior to April 12, 1979 and the interest rate of 10% per annum shall be inserted in Term Notes issued after April 12, 1979.

Note 6:

The date to be inserted shall be such of the following dates as is five years after the date of issue:

July 12, 1983, October 12, 1983,
January 12, 1984, April 12, 1984,
July 12, 1984 or October 12, 1984

Note 7:

The interest rate of 10% per annum shall be inserted in Term Notes issued on or prior to April 12, 1979 and the interest rate of 11% per annum shall be inserted in Term Notes issued after April 12, 1979.